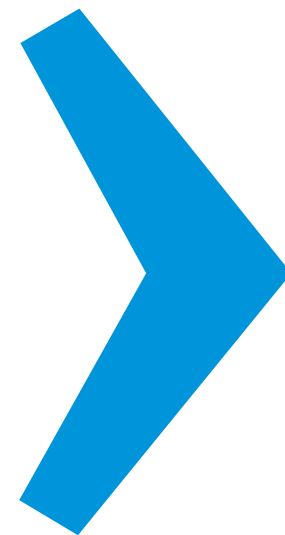


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Silicon Valley Bank

Women in Technology Leadership 2018

Key Insights from the Silicon Valley Bank Startup Outlook Survey



Thinking inclusively is an imperative

A look at what startups are doing to address the lack of women in technology leadership

*The innovation economy has a long way to go to achieve gender parity, but there are reasons to be optimistic. In our **Startup Outlook 2018** survey, 57 percent of US startups report that they have no women in the C-suite, and 71 percent have no women on their boards. These stats are better in the UK and China. At the same time, 41 percent of US startups say they have a program in place to increase the number of women in their leadership ranks, which is a jump from the 25 percent who said the same last year.*

Improving the ratio of women in tech — and in leadership roles — is very much on the minds of founders, investors, employees, industry watchers and influencers. One SVB client recently told us, “We can’t create the best technology solutions if the teams building them don’t represent the public using them. Diversity is both a social justice and a commonsense issue — especially in an increasingly global economy.”

We asked startups to describe their efforts. They tell us they are setting and tracking diversity goals, actively coaching employees for leadership and encouraging industry involvement in female-focused organizations. When it comes to hiring, they report that they are changing the way job descriptions are written and how they are recruiting and conducting interviews to mitigate potential unconscious bias.

There are no excuses for how we got here, but we do see business leaders, individuals and organizations working hard to raise awareness and make progress toward a level playing field. That’s one of the reasons why I am optimistic. For the most part, our clients are always looking at what’s next, what’s ahead and how to improve on the status quo. With that mindset and a willingness to think differently and have candid conversation, we believe that the innovation sector has the opportunity to change.

Importantly, we should all be grateful to the brave women who have come forward to share their experiences with discrimination, sexism and harassment. They are

fueling much-needed conversation and momentum to improve the workplace for all in the innovation sector.

For our part, we can’t say that we have this completely figured out, either. We are working every day to ensure that we are constantly learning and fostering an environment in which our employees can do their best work. And we’re committed to working toward gender parity in our own leadership ranks. We focus on employee awareness, training and education, leadership development, hiring, strategic partnerships and an open-door approach that encourages our employees to raise issues and openly discuss them. We backstop that with policies and a code of conduct based on respect.

There is much work to be done, and it starts with each business leader making inclusion, equal representation and diversity an imperative.



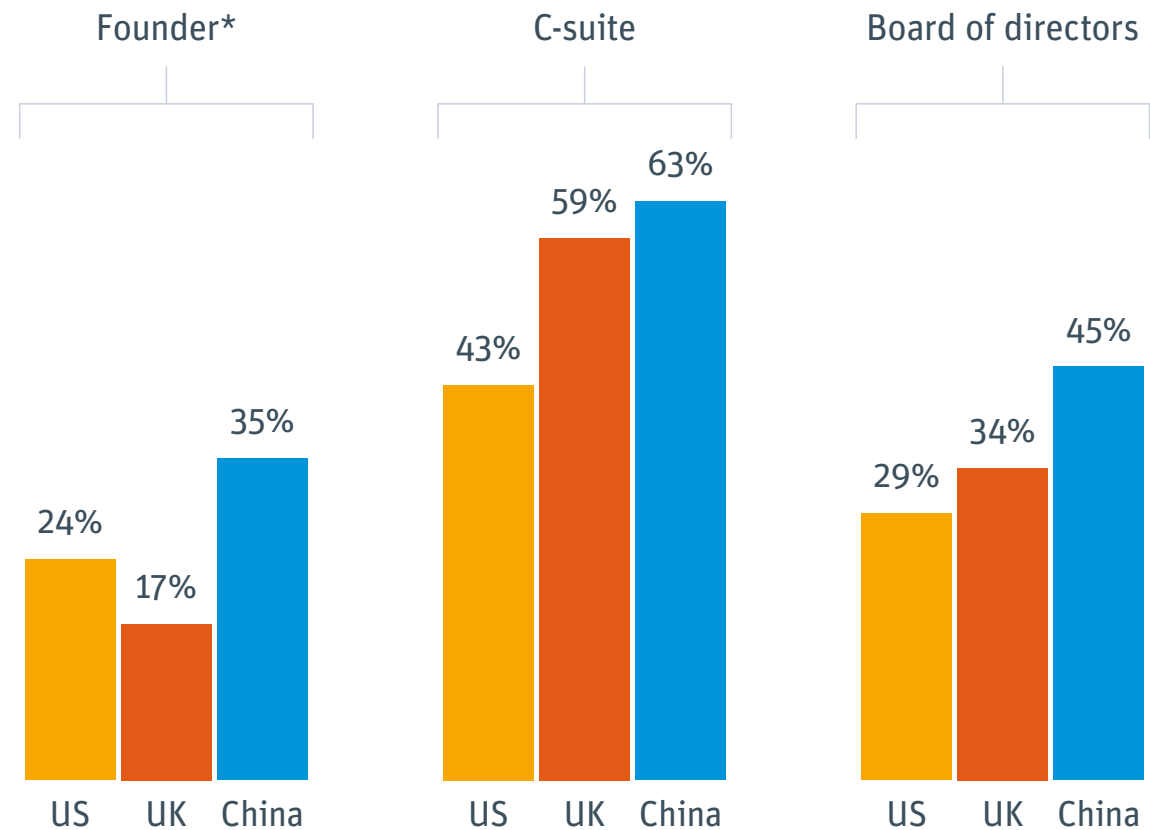
Greg Becker
CEO, Silicon Valley Bank

Women are far from parity in leadership roles

Overall, the percentage of women in leadership positions has not increased, and women are particularly absent from board positions. Globally, 25 percent of companies surveyed have at least one woman on the founding team, and China reports the most.

In the US, 71 percent of startups say they have no women on their board of directors. Even in China, where nearly two-thirds of startups have women in the C-suite, more than half have no women on their boards. The trend appears to be growing greater C-suite equality in the UK, but there is no such movement in the US.

Percentage of companies with women in leadership roles:

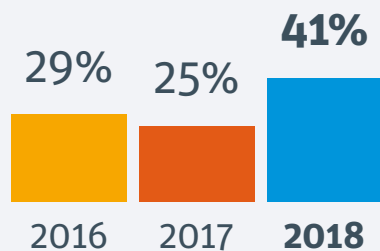


*Companies that had at least one woman on the founding team.

There is no progress for women in tech leadership in the US

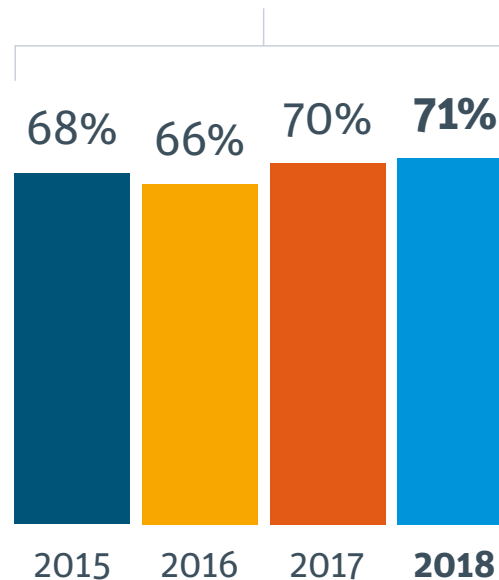
Seven in 10 startups in the US have no women on their board of directors, and more than half have no women in executive positions.

The number of US startups that say they have programs in place to increase the number of women in leadership jumped from 25 percent to 41 percent in the past year.

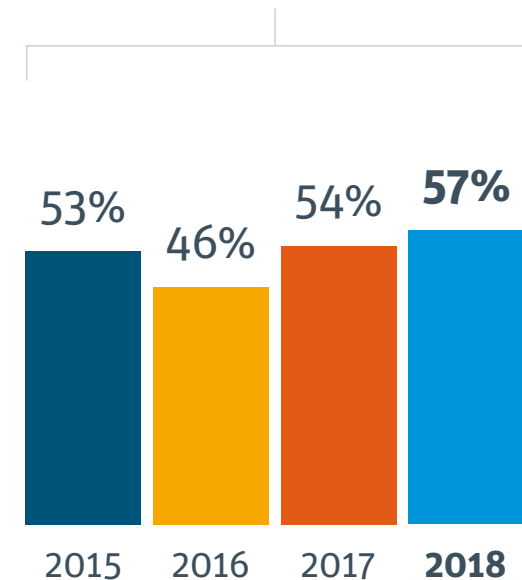


Percentage of US startups with no women in leadership positions:

No women on board of directors



No women in executive positions



“We can’t create the best technology solutions if the teams building them don’t represent the public using them. Diversity is both a social justice and a commonsense issue – especially in an increasingly global economy.”

Co-founder/CEO, edtech, Pasadena, California

Founder's gender has no impact on women's advancement programs

Whether or not there is a woman on the founding team, the same percentage of companies globally have a program in place to help advance women to leadership positions.

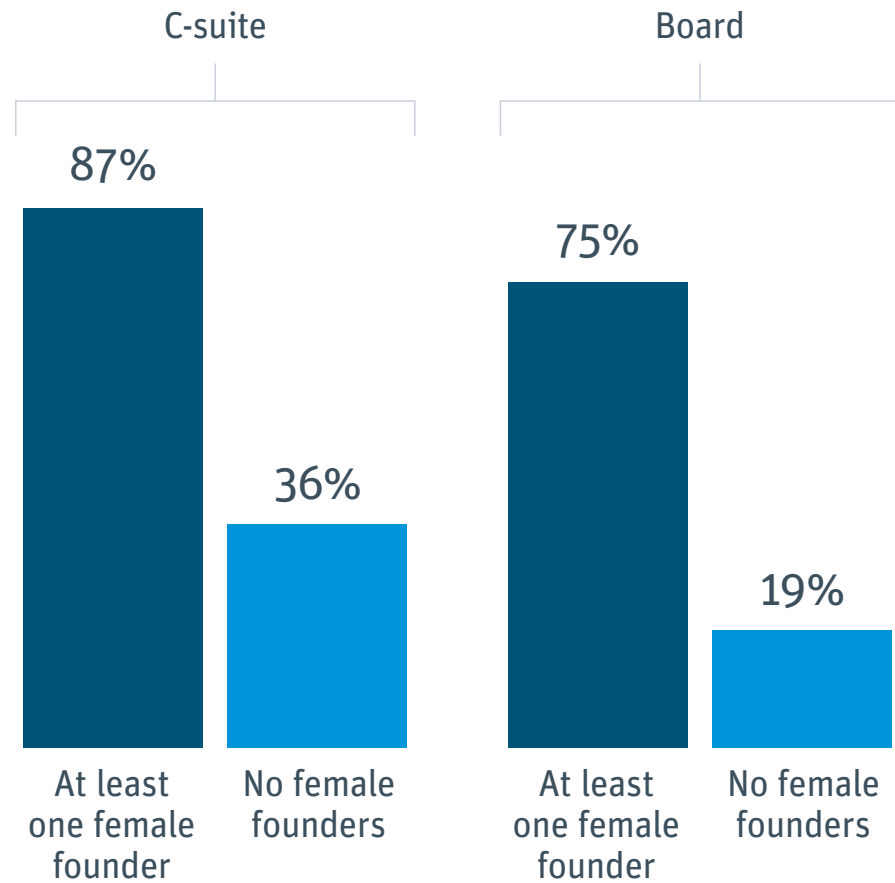
Percentage of companies with programs in place to increase the number of women in leadership:



Companies with a female founder have more women in leadership

Globally, startups with at least one woman on the founding team have more women in the C-suite and on the board of directors.

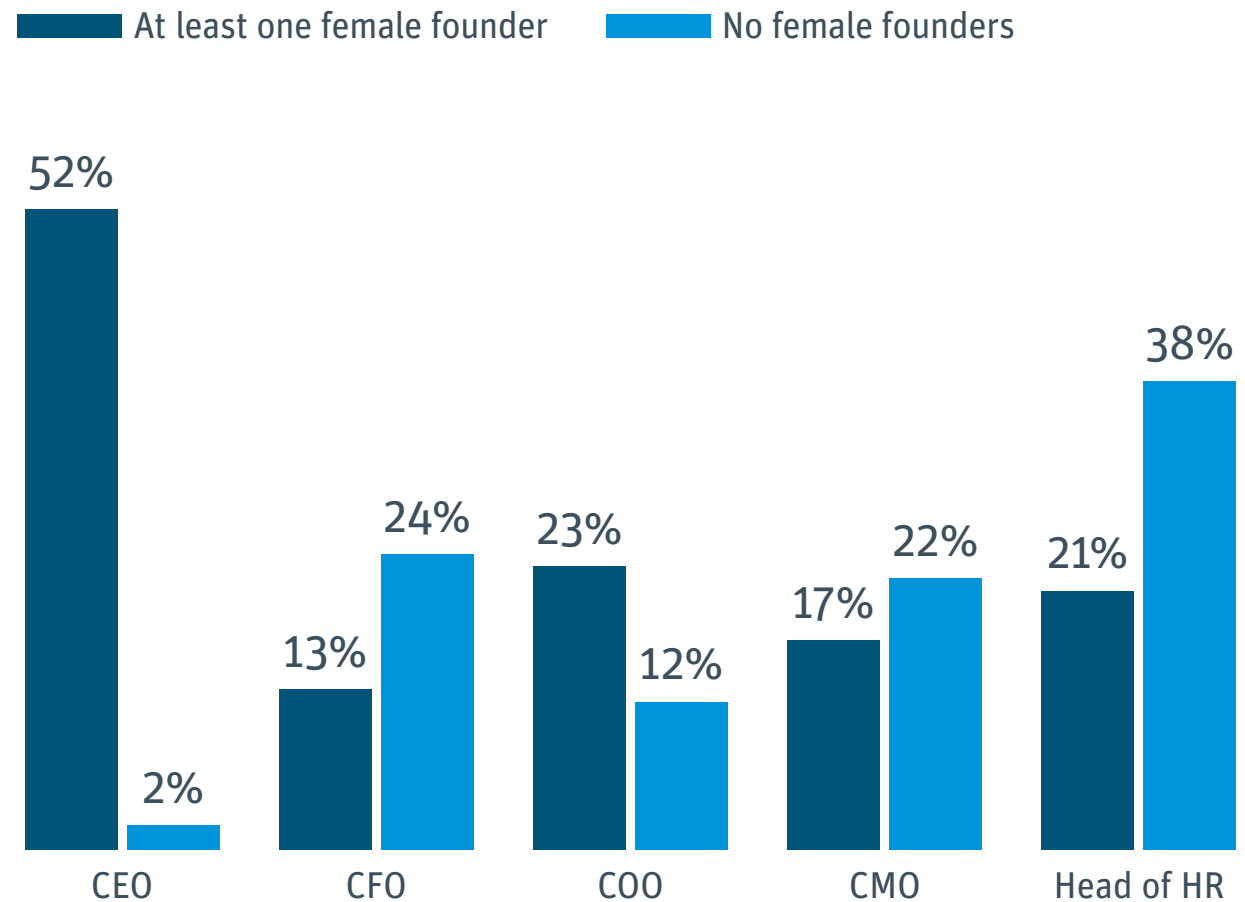
Percentage of companies with at least one woman in a leadership position:



Women's roles differ based on founder gender

C-suite roles held by women vary slightly based on the gender of the founder(s). In a startup, often the founder is the CEO, which helps explain the large difference for the CEO role. A higher percentage of companies founded by men report having a female CFO and head of human resources than do companies with a female founder.

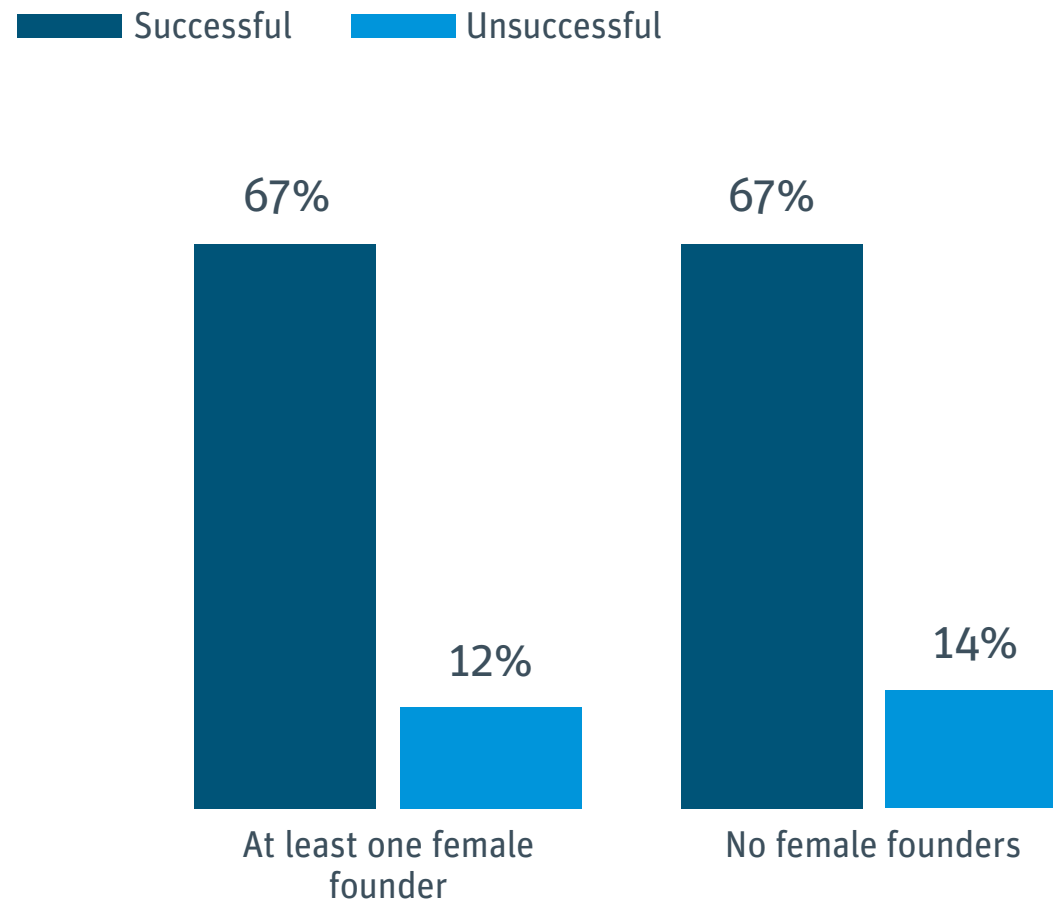
Percentage of companies with a woman in a C-suite role:



Founder gender has no impact on fundraising success rate

Startups that attempted to raise private capital in 2017 report no difference in their success rate based on the gender of their founder(s).

Did you attempt to raise private capital?

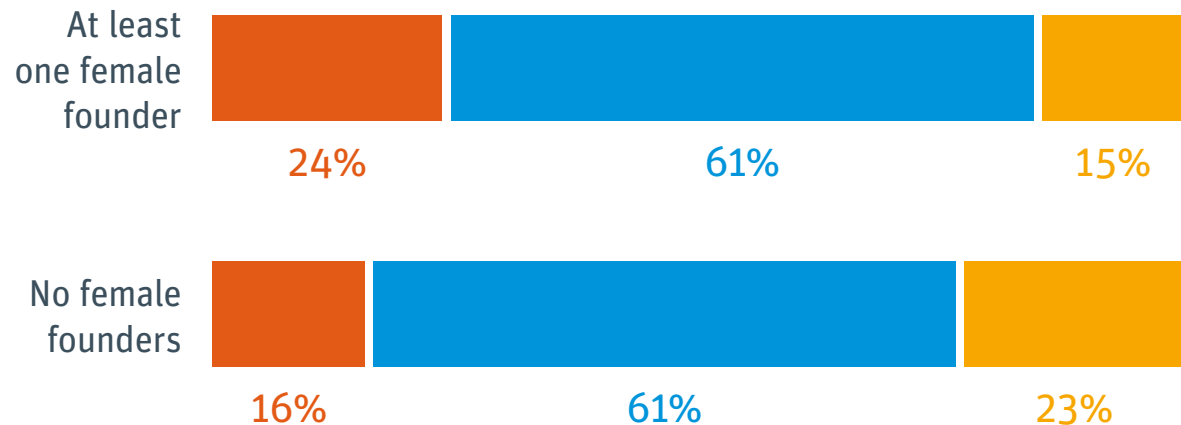


Female-founded startups find fundraising harder

Overall, startups in the US and the UK report that 2017 was a less challenging fundraising environment than in years past. Still, when analyzed by gender, female-founded companies that successfully raised private capital say it is a more challenging environment than male-founded companies do.

What is your view of the current fundraising environment?

Extremely challenging Somewhat challenging Not challenging

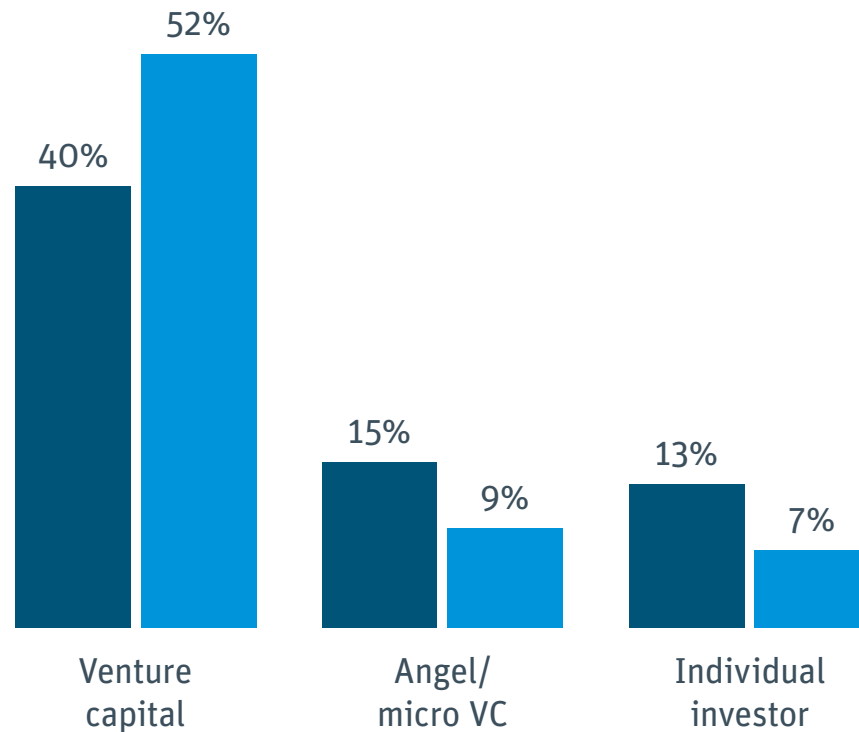


Female-founded companies rely less on VC funding

Startups with a female founder expect to rely more heavily on angel and individual investors and less on VCs than do startups without a female founder.

What do you expect to be your company's next source of funding?

■ At least one woman on the founding team
■ No women on the founding team

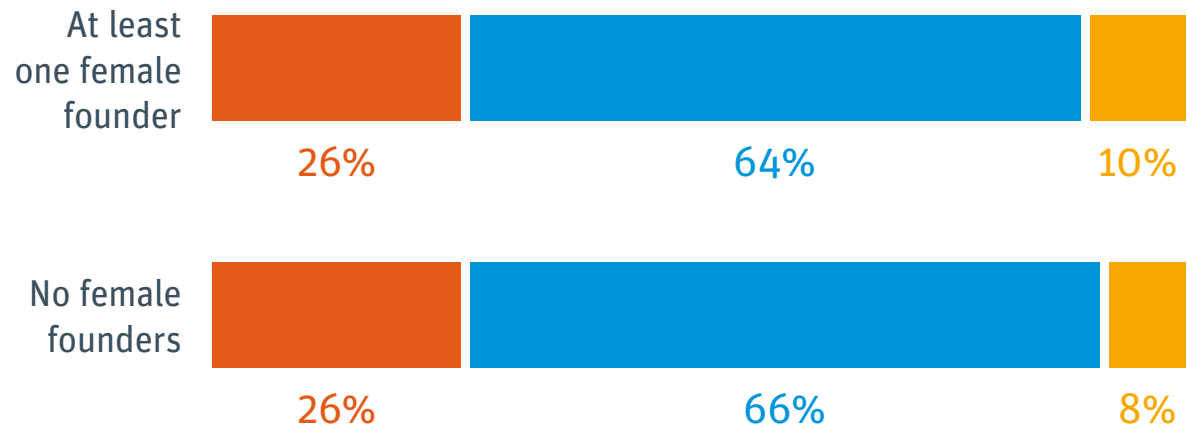


Hiring is hard – for everyone

Three of four startups globally are hiring this year, and regardless of founder gender almost all say it is somewhat challenging or extremely challenging to find workers with the skills necessary to grow their businesses.

How challenging is it to find workers with the skills necessary to grow your business?

Extremely challenging Somewhat challenging Not challenging



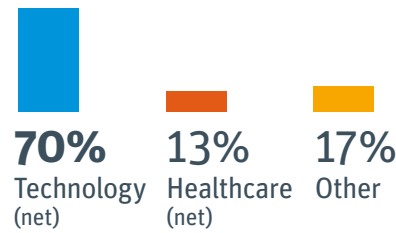
About the Startup Outlook survey

Our annual survey of technology and healthcare startup executives offers insights into what is on the minds of today’s technology and healthcare leaders. For this year’s survey, we received responses from startup executives in innovation hubs around the world. Survey respondents consisted of 257 companies with at least one female founder and 788 companies with no women on the founding team.

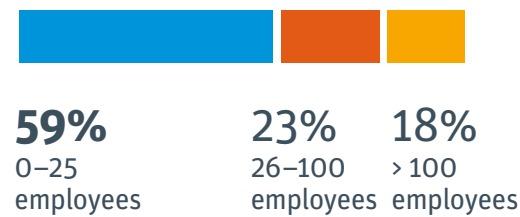
Total respondents

1,045

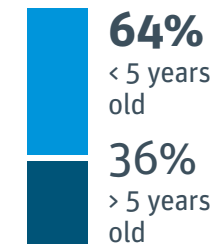
Industry sector



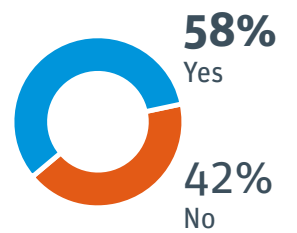
Size



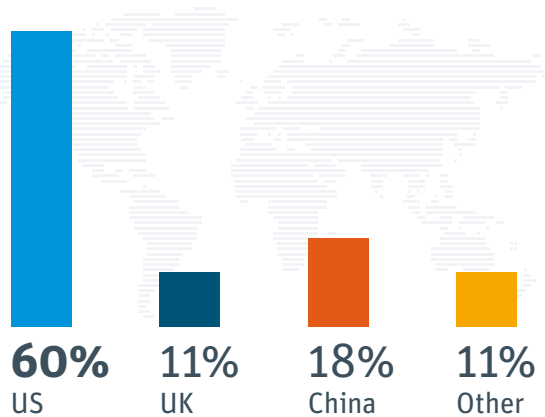
Company age



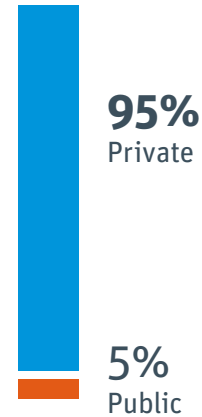
Profitable



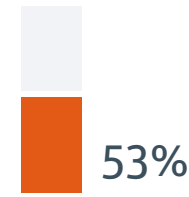
Primary place of business



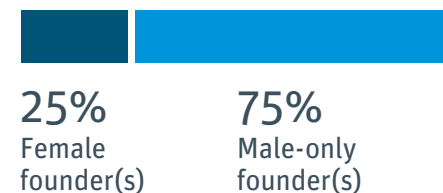
Ownership



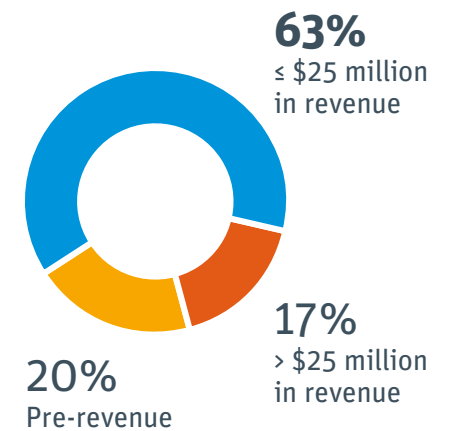
US companies with at least one founder born outside the United States



Founder gender



Revenue stage



20% Pre-revenue



About Silicon Valley Bank

For 35 years, Silicon Valley Bank (SVB) has helped innovative companies and their investors move bold ideas forward, fast. SVB provides targeted financial services and expertise through its offices in innovation centers around the world. With commercial, international and private banking services, SVB helps address the unique needs of innovators.

Learn more at svb.com/startup-outlook-report